

Chairman Julius Genachowski  
Commissioner Meredith Attwell Baker  
Commissioner Mignon Clyburn  
Commissioner Michael Copps  
Commissioner Robert McDowell  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

February 8, 2011

**RE: *In the Matter of Empowering Consumers to Avoid Bill Shock (CG Docket No. 10-207) and Consumer Information and Disclosure (CG Docket No. 09-158)***

Dear Chairman Genachowski and Commissioners:

The Hispanic Institute is a non-profit organization dedicated to providing an effective education forum for an informed and empowered Hispanic America. The Hispanic Institute manages a number of projects including those focused on the study of Hispanic economic contributions, media monitoring, consumer fraud protection, citizenship education, and technology and telecommunications research.

As an organization that is focused on concerns prominent within the Hispanic community, we recognize the growing importance of wireless technology, the role that it plays in consumers' everyday lives, and the accompanying desire of consumers to monitor the costs associated with this technology.

In fact, among all the groups capitalizing on the benefits of wireless technology, the Hispanic American population has arguably embraced wireless technology and mobile broadband more wholeheartedly than any other demographic.

As our organization highlighted in the white paper, *Hispanic Broadband Access: Making the Most of the Mobile, Connected Future*, Hispanics are more mobile than the general U.S. population and thus rely more heavily on cell phones. In fact, compared to Americans generally, Hispanics account for more minutes used and for a higher percentage of cell-phone ownership despite their relatively low incomes.<sup>1</sup>

According to the Pew Research Center's Internet & American Life Project's Mobile Access 2010 report, 87 percent of English-speaking Hispanic Americans own a cell phone. Minority cell owners are also significantly more likely to use non-voice data applications and to take advantage of a wider range of mobile phone features compared to other populations. In fact, among those who go online using a handheld device, 55 percent of English-speaking Hispanics use their cell phone to go online several times a day.

Coupled with the fact that Hispanics are the largest and fastest growing minority group in the United States but bring in on average the lowest per capita income—\$15,190—compared to

other populations, we are concerned about the topic of this proceeding and its potential affect on Hispanic Americans.

From this unique perspective, the Hispanic Institute appreciates the opportunity to offer reply comments in the proposed Consumer Bill Shock NPRM, as we, like the Commission, remain committed to providing wireless consumers transparent and affordable service options.

No one wants to open up their phone bill and be taken aback by huge overage charges they were not aware they were accumulating. For this reason, we believe first and foremost, the Commission should work with telecommunication companies and focus its immediate attention and efforts on consumer education initiatives that give users the tools they need to track their usage, monitor their minutes, and make any changes accordingly. Promoting existing tools that empower consumers to monitor their wireless usage as well as encourage further development and innovation in this space is critical, especially as wireless service offerings continue to evolve.

The Hispanic Institute initially approaches these issues empirically, and from the standpoint of “do no harm.” Therefore, we urge the Commission, before moving forward to implement its proposed regulatory mandates to supposedly fix this problem, to investigate and weigh the potential impact of these changes, particularly regarding the potential costs borne by those in low-income communities.

As a recent study by the Nielsen Company found, only one percent of Americans experience a significant voice or data overage expense in a given year.<sup>ii</sup> Only a small number of wireless consumers actually experience unintended overages on their wireless bills

Furthermore, the costs for implementing the proposed one-size-fits-all regulatory mandates to benefit one percent of consumers could cost millions of dollars, a cost that would be borne by all consumers as wireless service providers moved to make the network management changes and personnel additions necessary to carry out these requirements.

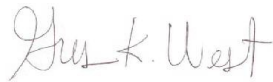
What is more, the types of regulatory suggestions in the NPRM do not seem tailored at addressing the specific problems experienced by a small number of consumers, yet would subject all consumers to these additional costs. Conditions like the proposed “circuit-breaker” provision backed by some groups would be especially detrimental to those Hispanic Americans whose primary means of communication is their cell phone. Sixteen percent of English speaking Hispanics and seventeen percent of Americans earning less than \$30,000 per year are cell-phone only wireless users. Shutting off phone service because a user has exceeded his or her limit could have devastating consequences for any number of users, especially those dependent on their mobile devices for all forms of communication.

With that understanding, the Hispanic Institute would like to encourage the Commission to focus its immediate attention and efforts on consumer education initiatives and not regulatory mandates.

Today, there are already a number of options available to consumers who wish to monitor their wireless usage. These options include text message notifications, applications provided by carriers and third parties, and online tools and notifications. Examples of these products and services range from 3G Watchdog and the Mobile Minutes Tracker for Blackberry to AT&T, Verizon and T-Mobile's account management tools. Instead of advocating for prescriptive regulations that would essentially duplicate these services and other similar offerings, we encourage the Commission to work with companies and community groups to educate consumers about these options. <sup>iii</sup>

Every day, more and more Hispanic Americans across the country are realizing the benefits of wireless technology and the possibilities it affords. Expanding connectivity is essential to current efforts to enhance our nation's economy and quality of life through broadband and wireless-fueled innovation. With rising connectivity, Hispanics will be able to enhance their many contributions to our nation's economic renewal and global competitiveness. Pending and future policies must keep the unique needs of this community in perspective to help ensure that low-income Hispanics can continue to afford wireless broadband services.

Sincerely,

A handwritten signature in cursive script that reads "Gus K. West".

Gus K. West  
Board Chair and President  
The Hispanic Institute

i The Hispanic Institute, *Hispanic Broadband Access: Making the Most of the Mobile, Connected Future*, September 2009

ii See Nielsen, Nielsen Customer Value Metrics: A Closer Look at Overages 11 (attached to *Ex Parte* Letter from Judith Harris, Counsel to Nielsen, to Marlene Dortch, FCC Secretary, CG Docket Nos. 10-207 and 09-158 (filed Dec. 17, 2010))

iii See Comments of Mobile Future, CG Docket No. 10-207 at Attachment